



PUBLIC DISCLOSURE

FEBRUARY 24, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**BANK OF JACKSON HOLE
RSSD# 898458**

**990 WEST BROADWAY
JACKSON, WYOMING 83001**

**Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

This institution is rated: **Satisfactory**
The Lending Test is rated: **Satisfactory**
The Community Development Test is rated: **Satisfactory**

Bank of Jackson Hole (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria under the Lending and Community Development (CD) Tests.

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated in the AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.
- CD activity reflects adequate responsiveness to the CD needs of the bank's AA.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Intermediate Small Institutions* were utilized to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics and credit needs. Performance was assessed within the bank's Western Wyoming AA. The following data was reviewed:

- The bank's 12-quarter average NLTD ratio;
- Statistical samples of 63 home mortgage loans (secondary market) from a universe of 92 loans and 63 small business loans from a universe of 91 loans, all originated from January 1, 2018 through December 31, 2018. Both products were weighted equally in the lending analysis; and,
- CD loans, qualified investments and donations, and CD services from January 23, 2017 through February 24, 2020.

DESCRIPTION OF INSTITUTION

The bank is a community bank headquartered in Jackson, Wyoming. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Bancshares of Jackson Hole.
- The bank has total assets of \$912.6 million as of September 30, 2019.
- In addition to its main office in Jackson, the bank operates three branches in Jackson (Teton County, Wyoming), two branches in Wilson (Teton County, Wyoming), and one branch each in Teton Village (Teton County, Wyoming), Alpine (Lincoln County), Dubois (Fremont County), and Pinedale (Sublette County), all in Wyoming.
- The bank maintains three full-service automated teller machines (ATMs) and ten cash-only ATMs throughout its AA.
- The bank’s primary business focus is commercial and residential real estate lending. Commercial loans comprise the largest portion of the loan portfolio by dollar volume; however, the bank originates a substantial number of residential real estate loans that are sold into the secondary market and, therefore, not reflected in its loan portfolio totals.

TABLE 1 COMPOSITION OF LOAN PORTFOLIO AS OF AS OF SEPTEMBER 30, 2019		
Loan Type	\$(000)	%
Commercial	492,894	72.2
Residential Real Estate	186,008	27.3
Consumer	1,999	0.3
Agricultural	955	0.1
Other	697	0.1
Gross Loans	682,553	100.0

Note: Percentages may not total 100.0 percent due to rounding.

The bank was rated Satisfactory under the CRA at its January 23, 2017 performance evaluation. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

DESCRIPTION OF THE INSTITUTION’S OPERATIONS IN THE WESTERN WYOMING AA

The bank’s AA is comprised of the entire counties of Teton and Sublette County, Wyoming, and Teton County, Idaho. Additionally, the AA is comprised of two of the four census tracts in Lincoln County, Wyoming, and one of the nine census tracts in Fremont County, Wyoming. (See Appendix A for an AA map,)

- The AA is comprised of six middle- and four upper-income census tracts. No changes to the bank’s AA delineation occurred since the previous evaluation; however, the census tract in Fremont County, previously designated as a moderate-income census tract, is now a middle-income census tract.
- According to the June 30, 2019 Federal Deposit Insurance Corporation (FDIC) Market Share Report, the bank’s market share of 19.9 percent ranked 2nd out of 15 FDIC-insured institutions operating within the AA.

- Two previously conducted community contacts were referenced to augment the CRA performance evaluation, as well as to ascertain the credit and CD needs of the communities, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. The contacts represented a local chamber of commerce and a local government office within the bank’s AA.

TABLE 2 POPULATION CHANGE			
Area	2010 Population	2015 Population	Percent Change
Fremont County, Wyoming	40,123	40,755	1.6
Lincoln County, Wyoming	18,106	18,316	1.2
Sublette County, Wyoming	10,247	10,117	(1.3)
Teton County, Wyoming	21,294	22,311	4.8
Teton County, Idaho	10,170	10,285	1.1
State of Wyoming	563,626	579,679	2.8

*Source: 2010 U.S. Census Bureau Decennial Census
2011-2015 U.S. Census Bureau: American Community Survey*

- According to the 2018 American Community Survey (ACS) five-year estimate, the bank’s largest populations in relation to its branch locations are in the towns of Jackson (10,483), Pinedale (2,263), Dubois (741), and Alpine (716).
- Although Teton County, Wyoming, is the AA’s second most populated county and has experienced relatively significant population growth, approximately 97.0 percent of the land is federally protected, which provides limited space for additional private development of residential and commercial real estate.

TABLE 3 MEDIAN FAMILY INCOME CHANGE			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Fremont County, Wyoming	55,531	64,694	16.5
Lincoln County, Wyoming	65,347	74,528	14.0
Sublette County, Wyoming	81,389	87,182	7.1
Teton County, Wyoming	90,596	93,443	3.1
Teton County, Idaho	56,791	64,545	13.7
State of Wyoming	65,964	73,194	11.0

*Source: 2006-2010 U.S. Census Bureau: American Community Survey
2011-2015 U.S. Census Bureau: American Community Survey*

- According to the 2015 ACS, Teton County, Wyoming, had a lower concentration of LMI families, at 22.9 percent, when compared to other counties in the AA. Specifically, Fremont County at 44.5 percent, Lincoln County at 34.5 percent, Sublette County at 33.1 percent, and Teton County, Idaho at 26.4 percent.
- Teton County, Idaho, had the highest concentration of upper-income families at 54.9 percent, followed by Teton County, Wyoming at 54.8 percent, Sublette County at 49.1 percent, Lincoln County at 40.8 percent, and Fremont County at 33.1 percent.

**TABLE 4
HOUSING COSTS CHANGE**

Area	Median Housing Value		Percent Change	Median Gross Rent		Percent Change
	2010	2015		2010	2015	
Fremont County, Wyoming	154,400	186,500	20.8	567	708	24.9
Lincoln County, Wyoming	196,400	201,700	2.7	781	796	1.9
Sublette County, Wyoming	278,300	275,600	(1.0)	964	1,171	21.5
Teton County, Wyoming	723,700	689,000	(4.8)	915	1,113	21.6
Teton County, Idaho	294,800	222,900	(24.4)	820	844	2.9
State of Wyoming	174,000	194,800	12.0	666	789	18.5

Source: 2006-2010 U.S. Census Bureau: American Community Survey
2011-2015 U.S. Census Bureau: American Community Survey

- The affordability ratio⁴ of Teton County, Wyoming, at 10.9 percent indicates that home prices are extremely high compared to the level of income. In comparison, the affordability ratio of Teton County, Idaho is 24.0 percent, Fremont County is 28.3 percent, Sublette County is 29.7 percent, and Lincoln County is 33.0 percent.
- The percentage of owner-occupied units was the lowest in Teton County, Wyoming at 37.7 percent, followed by Sublette County at 45.6 percent, Teton County, Idaho at 47.1 percent, Lincoln County at 61.0 percent, and Fremont County at 61.4 percent. This is indicative of the low inventory for primary home purchases, as the remainder of the housing stock is either rental properties or “vacant” homes that generally consist of second homes in this tourism-driven market.
- A community contact noted that Fremont County is experiencing housing price increases as buyers who want to live in the area are choosing not to pay the higher prices near Jackson, Wyoming. Additionally, this contact noted that affordable housing for low-income individuals is in low supply and not being developed due to high construction costs.
- Another community contact noted that the inventory of moderately priced housing near Star Valley (south of Alpine) is also decreasing, if not fully depleted. This contact noted that the increased pricing pressure on lower-end housing will critically impact the LMI individuals interested in buying a home in Lincoln County.

⁴ The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio indicates that housing is generally less affordable.

TABLE 5 UNEMPLOYMENT RATES					
Region	2014	2015	2016	2017	2018
Fremont County, Wyoming	5.2	5.5	7.1	5.5	5.2
Lincoln County, Wyoming	5.4	4.7	4.6	3.7	3.8
Sublette County, Wyoming	4.5	5.2	6.4	4.5	4.2
Teton County, Wyoming	4.8	3.8	3.4	2.8	3.0
Teton County, Idaho	3.9	3.5	3.2	2.6	2.2
State of Wyoming	4.3	4.2	5.3	4.2	4.1

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Fremont County’s largest employment industries include health care and social assistance, followed by educational services.
- The largest employment industries in Lincoln County include construction, health care and social assistance, and retail trade.
- Sublette County’s largest employment industries include mining, quarrying, and oil and gas extraction.
- The largest employment industries in Teton County, Wyoming, include accommodation and food services, followed by health care and social assistance.
- In Teton County, Idaho, the largest employment industries include construction, retail trade and accommodation, and food services.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank’s average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison to several similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on asset size, product offerings, market share, and location. The bank’s NLTD ratio is reasonable given its level and relativity to reported NLTD ratios of other similarly situated institutions, as noted in Table 6.

TABLE 6 COMPARATIVE NLTD RATIOS			
Institution	Location	Asset Size (\$000s)	NLTD Ratio (%)
			12-Quarter Average
Bank of Jackson Hole	Jackson, Wyoming	912,635	84.0
Rocky Mountain Bank	Jackson, Wyoming	323,703	83.5
Bank of Commerce	Idaho Falls, Idaho	1,254,846	81.8
RSNB Bank	Rock Springs, Wyoming	361,183	34.7

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. As indicated in Table 7, a majority of the bank’s loans, by number and dollar, are originated inside the AA.

TABLE 7 LENDING INSIDE AND OUTSIDE THE AA								
Loan Type	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Home Mortgage Loans	44	19,591	69.8	76.4	19	6,048	30.2	23.6
Small Business Loans	56	13,429	88.9	90.2	7	1,451	11.1	9.8
Total Loans	100	33,020	79.4	81.5	26	7,499	20.6	18.5

Note: Percentages may not add to 100.0 percent due to rounding.

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AA by income level of census tracts. The bank’s overall geographic distribution of loans reflects reasonable distribution among the different census tracts throughout the AA.

While the dispersion analysis identified a few census tracts where no lending occurred within the bank’s AA, these gaps were not considered to be significant.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. As noted in Table 8, the bank’s lending by number was below the percent of owner-occupied units in middle-income census tracts and above in upper-income census tracts. By dollar volume, the bank’s lending was comparable to the demographic figure in both middle- and upper-income census tracts.

An evaluation of the dispersion of home mortgage lending revealed no significant gaps.

**TABLE 8
DISTRIBUTION OF 2018 HOME MORTGAGE LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Loans				% of Owner- Occupied Units
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	19	10,329	43.2	52.7	50.9
Upper	25	9,261	56.8	47.3	49.1
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2018 FFIEC Census Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

Small Business Lending

The geographic distribution of small business lending is reasonable. As noted in Table 9, the bank’s lending by number and dollar was below the percent of businesses in the middle-income census tracts and above in upper-income census tracts. A majority of the bank’s small business loans were originated within Teton County, Wyoming, where a majority of branches are located. The majority of the tracts in Teton County, Wyoming are upper-income census tracts.

An evaluation of the dispersion of small business lending revealed no significant gaps.

**TABLE 9
DISTRIBUTION OF 2018 SMALL BUSINESS LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	24	4,765	42.9	35.5	54.8
Upper	32	8,664	57.1	64.5	45.2
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

This performance criterion evaluates the bank’s distribution of lending within its AA across all income and revenue categories. The bank’s lending has a reasonable penetration among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. As noted in Table 10, both the number and dollar volume of lending to LMI borrowers was below the percent of LMI families in the AA. The bank’s lending to middle-income borrowers was comparable by number to the demographic, but below by dollar volume. Lastly, lending to upper-income borrowers was above by both number and dollar volume when compared to the demographic figure. As mentioned previously, the bank primarily operates in a high cost area with very low housing affordability and stock availability.

TABLE 10 DISTRIBUTION OF 2018 HOME MORTGAGE LENDING BY BORROWER INCOME LEVEL					
Borrower Income Level	Bank Loans				Families by Family Income %
	#	\$(000)	#%	\$%	
Low	2	192	4.5	1.0	13.7
Moderate	2	371	4.5	1.9	15.9
Middle	9	2,543	20.5	13.0	21.5
Upper	31	16,484	70.5	84.1	48.9
Unknown	0	0	0.0	0.0	0.0

*Source: 2018 FFIEC Census Data
2011 – 2015 U.S. Census Bureau: American Community Survey*
NOTE: Percentages may not add up to 100.0 due to rounding.

Small Business Lending

The borrower distribution of small business lending is reasonable. As shown in Table 11, although the majority of the bank’s lending was to small businesses, the level was below the percent of small businesses in the AA by both number and dollar volume. Lending to businesses with revenues over \$1 million was above the demographic figure. Although the bank does not report CRA data, a review of aggregate small business lending data reported by all CRA filers indicated that 49.5 percent by number and 41.8 percent by dollar of loans were made to small businesses. These lower lending levels may indicate a lower demand for credit from small businesses during the time period reviewed. Additionally, the bank is one of eight banks in the area that offers Small Business Administration loans; this level of competition may limit the bank’s opportunities to lend to small businesses.

**TABLE 11
DISTRIBUTION OF 2018 SMALL BUSINESS LENDING
BY REVENUE SIZE OF BUSINESSES**

	Bank Loans				Total Businesses
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	35	7,932	62.5	59.1	89.4
Over \$1 Million	17	5,480	30.4	40.8	9.3
Not Known	4	16	7.1	0.1	1.4
Total	56	13,429	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	27	903	48.2	6.7	
\$100,001 – \$250,000	9	1,645	16.1	12.2	
\$250,001 – \$1 Million	20	10,882	35.7	81.0	
Total	56	13,429	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	18	706	51.4	8.9	
\$100,001 – \$250,000	5	854	14.3	10.8	
\$250,001 – \$1 Million	12	6,372	34.3	80.3	
Total	35	7,932	100.0	100.0	
<i>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011 – 2015 U.S. Census Bureau: American Community Survey</i>					
<i>NOTE: Percentages may not add up to 100.0 due to rounding.</i>					

COMMUNITY DEVELOPMENT TEST

The CD test evaluates the bank’s responsiveness to CD needs of its AA through CD loans, qualified investments, donations, and CD services, considering the bank’s capacity and the need and availability of such opportunities in the bank’s AA. The bank’s CD performance demonstrates adequate responsiveness. Table 12 shows the number and dollar amount of the bank’s CD activities that have benefitted the bank’s AA since the previous CRA evaluation.

Opportunities to originate CD loans and make qualified investments and donations to, and volunteer professional services at CD organizations are limited within the AA. Regardless, total CD activities have increased since the previous evaluation when the bank had \$5.1 million in CD loans, 57 donations totaling \$54,600, and 25 CD services, in alignment with the bank’s asset size growth.

The bank originated 17 CD loans totaling \$15.7 million. Given the need for affordable housing, one loan totaling \$6.4 million that funded the remodeling of an old hotel into 28 studio apartments for affordable housing, was particularly impactful to the community. Another loan for \$4.0 million was originated to a seasonal summer camp that provides over 100 LMI jobs in the AA.

Although the bank had no qualified CD investments, performance was supported by the level of the bank’s donation activity, which included \$172,000 in donations to 28 various organizations. Of note were two donations for \$50,000 each. The first donation supported a local organization that builds affordable housing for LMI families within the AA. The second donation supported the operations of a community organization that provides therapy services to individuals with learning or developmental disabilities, a majority of which are LMI.

Lastly, bank officers and employees provided 30 CD services to 10 various community organizations that support programs for LMI individuals and families.

**TABLE 12
COMMUNITY DEVELOPMENT ACTIVITIES**

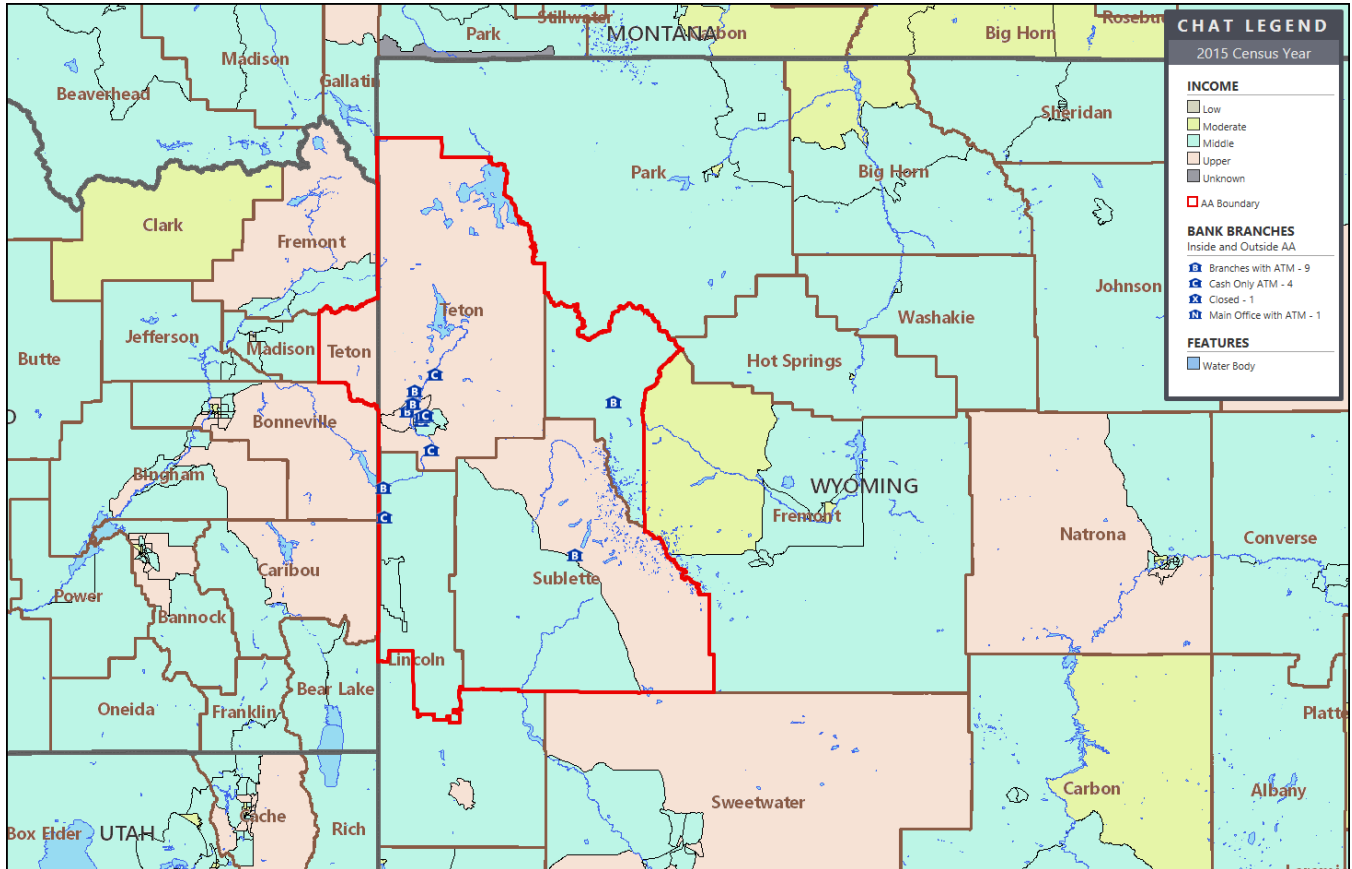
Community Development Purpose	Community Development Loans		Qualified Investments						Community Development Services
			Investments		Donations		Total Investments		
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)	#
Affordable Housing	15	11,388	0	0	0	0	0	0	9
Community Services	2	4,300	0	0	56	172	56	172	21
Economic Development	0	0	0	0	0	0	0	0	0
Revitalization and Stabilization	0	0	0	0	0	0	0	0	0
Neighborhood Stabilization Plan	0	0	0	0	0	0	0	0	0
Totals	17	15,688	0	0	56	172	56	172	30

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank’s fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

2018 Western Wyoming AA



APPENDIX B – DEMOGRAPHIC INFORMATION

TABLE B-1 2018 WESTERN WYOMING AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,908	13.7
Moderate	0	0.0	0	0.0	0	0.0	2,218	15.9
Middle	6	60.0	7,465	53.6	417	5.6	2,991	21.5
Upper	4	40.0	6,451	46.4	300	4.7	6,799	48.9
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	10	100.0	13,916	100.0	717	5.2	13,916	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	14,851	7,486	50.9	50.4	3,272	22.0	4,093	27.6
Upper	17,208	7,221	49.1	42.0	3,041	17.7	6,946	40.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	32,059	14,707	100.0	45.9	6,313	19.7	11,039	34.4
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	2,054	54.8	1,829	54.6	197	56.8	28	54.9
Upper	1,695	45.2	1,522	45.4	150	43.2	23	45.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	3,749	100.0	3,351	100.0	347	100.0	51	100.0
Percentage of Total Businesses:				89.4		9.3		1.4
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	92	60.9	91	61.1	1	50.0	0	0.0
Upper	59	39.1	58	38.9	1	50.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	151	100.0	149	100.0	2	100.0	0	0.0
Percentage of Total Farms:				98.7		1.3		0.0
<p>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011 – 2015 U.S. Census Bureau: American Community Survey NOTE: Percentages may not add up to 100.0 due to rounding.</p>								

APPENDIX C – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary

reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.